

Your Committee, to which this proposal was referred, has amended the proposal to read as follows and recommends its adoption as amended.

CITY COUNTY COUNCIL

PROPOSAL NO. 92, 2016

CITY OF INDIANAPOLIS-MARION COUNTY, INDIANA

INTRODUCED: 02/29/2016

REFERRED TO: Administration and Finance Committee

SPONSOR: Councillor Simpson

DIGEST: amends the Code regarding the office of audit and performance and the audit committee

SOURCE:

Initiated by: Office of Audit and Performance

Drafted by: Fred Biesecker, General Counsel

LEGAL REQUIREMENTS FOR ADOPTION:

Subject to approval or veto by Mayor

PROPOSED EFFECTIVE DATE:

Adoption and approvals

GENERAL COUNSEL APPROVAL:



Date: February 25, 2016

CITY-COUNTY GENERAL ORDINANCE NO. , 2016

PROPOSAL FOR A GENERAL ORDINANCE to amend Chapter 202, Article III, of the Revised Code of the Consolidated City and County, regarding the office of audit and performance and the audit committee.

BE IT ORDAINED BY THE CITY-COUNTY COUNCIL OF THE
CITY OF INDIANAPOLIS AND OF MARION COUNTY, INDIANA:

SECTION 1. Chapter 202, Article III, of the "Revised Code of the Consolidated City and County," regarding the office of audit and performance and the audit committee, is hereby amended by the addition of the language that is underlined, and the deletion of the language that is stricken-through, to read as follows:

CHAPTER 202 – MAYOR’S OFFICE
ARTICLE III – OFFICE OF AUDIT AND PERFORMANCE

Sec. 202-301. Established.

The office of audit and performance is hereby established for the purpose of auditing and enhancing the performance of the operations of the city and county. The office shall be responsible directly to the mayor.

Sec. 202-302. Director and employees.

(a) The administration of the office shall be under the control of the director. The mayor shall appoint the director for a one-year term, subject to the approval of the city-county council.

(b) When the position of director of the office becomes vacant, a new director shall be appointed by the mayor with the approval of the council. All other vacancies in the office shall be filled by the director. The employees of the office shall be selected and qualified on the basis of professional qualifications without regard to political affiliation.

Sec. 202-303. Powers and duties.

(a) The office shall have full authority to audit any department, office, or agency of the city or county, as deemed necessary by the director.

(b) The office may review and audit the financial controls and expenditures of:

(1) Any department, office, or agency of the city or county;

(2) Any municipal corporation, the budget of which is subject to appropriation or review by the council; ~~or~~;

(3) The Indianapolis Local Public Improvement Bond Bank; ~~or~~;

(4) The Indianapolis-Marion County Building Authority.

(c) With respect to the performance of any department, office, or agency of the city or county or a program thereof, as well as and the Indianapolis Local Public Improvement Bond Bank and the Indianapolis-Marion County Building Authority, the office may:

(1) Conduct efficiency and effectiveness reviews;

(2) Establish financial and operational performance metrics for measuring efficiency and effectiveness of a city or county entity or program;

(3) Recommend to the mayor and council that a city or county entity be eliminated in whole or in part, or consolidated into another entity, due to ineffectiveness, duplication, or other reason;

(4) Make recommendations to the mayor and council to increase the transparency of city or county operations; and

(5) Make recommendations to the controller that any program of a city or county entity be reduced or increased as a result of the effectiveness or ineffectiveness of the program.

(d) Audits and performance reviews may be conducted either by office personnel or under contract with independent auditors or consultants.

(e) The ~~mayor, upon recommendation of the~~ audit committee, shall select the independent external audit firm to prepare the audited annual financial report of the city and county.

(f) The contract with the independent external audit firm shall be executed by the director of the office.

Sec. 202-304. Audit reports and performance reviews.

(a) The audit reports and performance reviews produced by the office shall be public records and shall be disclosed promptly upon request.

(b) The office shall provide an electronic copy of an audit report or performance review to the mayor, the clerk of the council, and the chief administrative officer of the entity that is the subject of the report. ~~Such reports shall be public records and posted on the city and county website~~ within seven (7) days of completion.

(c) The office shall provide its audit reports and performance reviews on the city and county website within ten (10) days of completion for a minimum of four (4) years from the date of completion.

Sec. 202-305. Audit committee.

- (a) There is hereby created an audit committee that shall be composed of the following members:
- (1) A representative from the mayor's office appointed by the mayor;
 - (2) Two (2) members of the council, one (1) of whom is a member of the political party having the largest representation on the council, and one (1) of whom is a member of the political party having the second-largest representation on the council, appointed by the council;
 - (3) One (1) person who is qualified due to an involvement with financial matters and who is not an employee of the city or county shall be appointed by the council; ~~and~~
 - (4) ~~Three (3) persons~~ Two persons (2), one (1) of whom is qualified due to an involvement with financial matters and who is not an employee of the city or county, and one (1) who is either a professional or business person and who is not an employee of the city or county, shall be appointed by the mayor; and
 - (5) The director of the office. One (1) person who is qualified due to an involvement with financial matters and who is not an employee of the city or county, shall be appointed by the mayor and shall serve as chairperson of the committee, subject to the approval of the city-county council.

In addition, the controller, auditor, ~~director of the office~~, director of the office, council CFO, and the state board of accounts field representative assigned to the city, or the designee of any of them, shall serve as ex officio, non-voting members of the committee.

(b) The members appointed under subsections (a)(3) and (a)(4) shall be appointed for terms of three (3) years ending December thirty-first of the third year following appointment.

(c) Each appointee may be removed only for cause by the respective appointing authorities.

(d) Vacancies shall be filled for the duration of the unexpired term by the appointing authority of the position vacated.

(e) The staff functions for the committee shall be provided by the office.

(f) The officers of the committee shall be a chairperson and a secretary. The chairperson shall be the director of the office appointed under subsection (a)(5) ~~named by the mayor~~ and the secretary shall be named by the committee.

Sec. 202-306. Same—Meetings and quorum.

(a) The chairperson shall call meetings of the committee at such times and places as may be needed; however, the committee shall not meet fewer than three (3) times per calendar year.

(b) Three (3) voting members shall constitute a quorum. To pass a motion or determination, a quorum of the committee must vote in favor thereof.

Sec. 202-307. Same—Powers and duties.

The committee shall:

- (1) Be responsible for meeting with independent external auditors to discuss the scope of the annual audits of the city and the county, and anything related to such audits;
- (2) Oversee the affairs of the office to ensure adequate internal controls and procedures; ~~and~~
- (3) Serve as the informed resource regarding the auditing and accounting practices of the city and the county, and thereby submit a report annually to the mayor and council on its activities; and

(4) Select the independent external audit firm to prepare the audited annual financial report of the city and county.

SECTION 2. This ordinance shall be in effect from and after its passage by the Council and compliance with Ind. Code § 36-3-4-14.

The foregoing was passed by the City-County Council this _____ day of _____, 2016, at _____ p.m.

ATTEST:

Maggie A. Lewis
President, City-County Council

NaTrina DeBow
Clerk, City-County Council

Presented by me to the Mayor this _____ day of _____, 2016, at 10:00 a.m.

NaTrina DeBow
Clerk, City-County Council

Approved and signed by me this _____ day of _____, 2016.

Joseph H. Hogsett, Mayor